

VZCZCXR02243
OO RUEHCN RUEHGH
DE RUEHIN #0657/01 0811025
ZNY CCCCC ZZH
O 221025Z MAR 07
FM AIT TAIPEI
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4572
INFO RUEHBJ/AMEMBASSY BEIJING 6508
RUEHUL/AMEMBASSY SEOUL 8537
RUEHKO/AMEMBASSY TOKYO 8581
RUEHCN/AMCONSUL CHENGDU 1749
RUEHGZ/AMCONSUL GUANGZHOU 0080
RUEHHK/AMCONSUL HONG KONG 7750
RUEHGH/AMCONSUL SHANGHAI 0905
RUEHSH/AMCONSUL SHENYANG 5717
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHINGTON DC
RHHJJAA/JICPAC HONOLULU HI
RUEKJCS/SECDEF WASHINGTON DC
RHHMUNA/USPACOM HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 000657

SIPDIS

SIPDIS

E.O. 12958: DECL: 03/21/2032

TAGS: PGOV TW PREL CH

SUBJECT: DPP CHAIRMAN YU SHYI-KUN DISCUSSES U.S.-TAIWAN-PRC
RELATIONS AND ELECTION POLITICS

Classified By: AIT Director Stephen M. Young, Reason 1.4 (b/d)

¶1. (C) Summary: During a March 21 meeting, the Director told DPP Chairman Yu Shyi-kun, a candidate for the party's presidential nomination, that Taiwan's current and future leaders need to avoid independence-related moves that could put at risk the democracy, prosperity, and strong U.S. support the people on Taiwan now enjoy. Yu assured the Director that Taiwan will not declare independence since it is already an "independent, sovereign country," but added that he would work toward making Taiwan a "normal country" if elected president. Yu also said he would be open to increasing cross-Straight economic exchanges so long as these did not undermine Taiwan's sovereignty and security. On election politics, Yu defended proposals to toughen the polling rules used in DPP primaries to prevent the nomination of candidates who build their political fortunes by attacking their own party. Yu predicted that President Chen will continue playing an active political role in the presidential campaign after the DPP candidate is nominated. End Summary.

U.S.-Taiwan-PRC Relations

¶2. (C) The Director met on March 21 with DPP Chairman Yu Shyi-kun, one of four candidates for the DPP presidential nomination, to discuss election politics and U.S.-Taiwan relations. The meeting was held at DPP headquarters, despite the fact that Yu is currently taking a leave-of-absence while he runs for the party's presidential nomination. The Director reviewed the state of U.S.-Taiwan relations and the PRC factor, noting the strong U.S. support for Taiwan's democratic and economic achievements, as well as its security. Given cross-Straight political sensitivities and the PRC military threat to Taiwan, continued strong U.S. support is vital for Taiwan, he stressed. The Director underscored the importance for Taiwan's current and future leaders to act prudently and avoid independence-related moves that could put at risk the freedom, prosperity, and strong U.S. support now enjoyed by the people on Taiwan.

¶3. (C) Yu complained that while Taiwan regularly listens to U.S. advice, Beijing is unwilling to do the same. Through increased missile deployments, the anti-secession law, and rapid military modernization, China, not Taiwan, is

unilaterally changing the "status quo," Yu argued. Nonetheless, Taipei remains willing to engage Beijing as long as Taiwan is treated as an equal, and as president, Yu said, he would be open to increasing cross-Strait economic exchanges on the precondition that they do not undermine Taiwan's sovereignty and security. Yu told the Director that he would return the DPP to its "fundamental" values included in the party's charter, but he emphasized that Taiwan would not declare independence since it is already an "independent, sovereign country." However, Taiwan faces uncertainties because it is not a "normal country," Yu said, and he would work to turn Taiwan into a "normal country." Yu urged the U.S. to consider abandoning its "One China Policy," claiming the policy was a relic from the Cold War standoff between the KMT and Communists and does not reflect the view of Taiwan's people.

Taiwan Politics

¶4. (C) Turning to election politics, Yu told the Director that the DPP is debating whether to exclude both Deep and Light Blue supporters or only Deep Blue voters from polls used in the party primaries to select presidential and legislative candidates. Yu explained that some within the DPP are calling for tougher polling rules, which would exclude the Light Blue as well as the Deep Blue, to prevent nomination of DPP candidates who try to boost their election prospects by attacking their own party. Yu traced the proposals for tougher rules to dissatisfaction with the criticism of President Chen by some DPP members late last year. On the KMT presidential nomination process, Yu strongly doubted that former party Chairman Ma Ying-jeou and Legislative Speaker Wang Jin-pyng would be able to bury past

TAIPEI 00000657 002 OF 002

grievances and run together on the same ticket.

¶5. (C) Yu told the Director that the DPP presidential candidate will be free to choose his or her own running mate and there is no consensus that the winner of the primary should necessarily choose the second place finisher as vice presidential candidate. Yu noted that he had stated publicly that he would choose a female running mate if he became the presidential candidate. Yu predicted that President Chen will continue playing an active role in mediating among the four DPP contenders because that maximizes his influence. Yu also suggested that, given Chen Shui-bian's personality, the President will likely want to stay on the political front-line and play an active role during the presidential campaign, though he acknowledged some of the DPP hopefuls would probably prefer that Chen step back into the shadows.

Comment

¶6. (C) Yu was more reticent than usual, perhaps concerned about possible reactions to his recent spate of Deep Green election rhetoric. Trailing DPP frontrunners Premier Su Tseng-chang and Frank Hsieh by a wide margin in public

SIPDIS
opinion polls, Yu has been playing up pro-independence themes to try to win Deep Green support and he has also been most resistant to President Chen's efforts to mediate among the four candidates. Though not a strong speaker, Yu doubtless hopes his Deep Green stance will help him to gain ground in upcoming presidential debates. Some within the party charge Yu with trying to benefit himself through the proposals to toughen primary polling rules. While Yu remains the least likely of the four candidates to win the DPP presidential nomination, he may also be angling for the vice presidential slot.

YOUNG